



## **DEPARTMENT OF AGRICULTURE**

### **Rural Housing Service**

**[Docket No. RHS-22-SFH-0008]**

### **Notice of Solicitation of Applications for the Section 533 Housing Preservation**

### **Grants for Fiscal Year 2022**

**AGENCY:** Rural Housing Service, Agriculture (USDA).

**ACTION:** Notice.

**SUMMARY:** The Rural Housing Service (Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), announces that it is soliciting competitive preapplications under the Housing Preservation Grant (HPG) program for fiscal year (FY) 2022, to make available grant funds to sponsoring organizations for the repair or rehabilitation of housing owned or occupied by low- and very-low-income rural citizens under the HPG Program. The purpose of this notice is to announce the opening and closing dates for receipt of preapplications for HPG funds from eligible applicants, as well as submission requirements. Expenses incurred in developing preapplications will be at the applicant's cost.

**DATES:** Completed applications for grants must be submitted according to the deadlines outlined below. RHS will not consider any preapplications that are received after the closing deadline regardless of the submission method used.

- Paper submissions: Completed paper preapplications must be received in the USDA RD State Office no later than 4:30 p.m. on [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

- Applicants intending to submit paper preapplications using the U.S. Postal Service (USPS) must provide sufficient time to permit delivery on or before the closing deadline date.
- Acceptance by the USPS or private mailer does not constitute delivery.
- Postage due preapplications will not be accepted
- Electronic submissions: Completed electronic preapplications may be submitted using one of the following two methods and must be received by the USDA RD State Office no later than 4:30 p.m. on [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]:
  - Email: To submit preapplications by email, contact the Single-Family Housing Program Director in the RD State Office <http://www.rd.usda.gov/contact-us/state-offices>. Emailed submissions must be encrypted and/or password protected to ensure personally identifiable information is secure.
  - Grants.gov: Instructions for submitting preapplications to Grants.gov may be found at the following web site: <https://www.grants.gov>

**ADDRESSES:** Entities that want to apply for assistance may download the application documents and requirements outlined in this notice from:

<https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants>. Applicants will also find the requirements in the HPG program regulation found in 7 CFR 1944 (Subpart N).

Application information for electronic submissions to Grants.gov may be found at the following web site: <http://www.Grants.gov>.

Applicants may also request paper application packages from the RD State offices. Contact information can be found at: <https://www.rd.usda.gov/about-rd/state-offices>.

**FOR FURTHER INFORMATION CONTACT:** Mandy Couture, Finance and Loan Analyst, Single Family Housing Direct Division, Special Programs and New Initiatives Branch at (515) 418-2188 (voice) (this is not a toll-free number) or e-mail:

*Mandy.Couture@usda.gov*. You may also contact the RD office for the state in which the applicant is located. A list of RD State Office contacts is provided at:

<https://www.rd.usda.gov/about-rd/state-offices>.

## **SUPPLEMENTARY INFORMATION:**

### **Authority**

This solicitation is authorized pursuant to the Consolidated Appropriations Act of 2022; 42 U.S.C. 1490m; Public Law 117-103; and 7 CFR 1944, subpart N.

### **Rural Development: Key Priorities**

The Agency encourages applicants to consider projects that will advance the following key priorities:

- Assisting rural communities recover economically from the impacts of the COVID-19 pandemic, particularly disadvantaged communities;
- Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects; and
- Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.

Additional information regarding RD's funding priorities is available at the following web site: <https://www.rd.usda.gov/priority-points>.

### **Overview**

*Federal Agency Name:* Rural Housing Service (RHS).

*Funding Opportunity Title:* Housing Preservation Grants (HPG).

*Announcement Type:* Notice of Solicitation of Applications (NOSA).

*Assistance Listing (formerly CFDA):* 10.433.

*Funding Opportunity Number:* USDA-RD-HCFP-HPG-2022.

*Due Date for Applications:* Preapplications must be submitted no later than 4:30 p.m. on [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] using one of the following methods:

- Paper submissions: The deadline for completed paper preapplications to be received in the USDA RD State Office. Please refer to the **DATES** and **ADDRESSES** sections of this notice for further information.
- Electronic submissions: Completed electronic preapplications must be received by email or submitted to Grants.gov. Please refer to the **DATES** and **ADDRESSES** sections of this notice for further information.
- Expenses incurred in developing grant application packages will be at the applicant's cost.

*Other Information:*

Definitions: The definitions applicable to this notice may be found at 7 CFR 1944.656.

- Preapplication Awards: The Agency will review, evaluate, and score preapplications in response to this notice based on the provisions in 7 CFR 1944.679 and as indicated in this notice. However, the Agency advises all interested parties that the applicant bears the burden of cost in preparing and submitting a complete preapplication in response to this notice

## **A. Background**

USDA's RD Agencies, comprised of the Rural Business-Cooperative Service (RB-CS), Rural Housing Service (RHS), and the Rural Utilities Service (RUS), are

leading the way in helping rural America improve the quality of life and increase the economic opportunities for rural people.

RHS offers a variety of programs to build or improve housing and essential community facilities in rural areas. The Agency offers loans, grants, and loan guarantees for single- and multi-family housing, child-care centers, fire and police stations, hospitals, libraries, nursing homes, schools, first responder vehicles and equipment, housing for farm laborers and much more. Additionally, RHS programs provide technical assistance loans and grants in partnership with non-profit organizations, Indian tribes, state and Federal government agencies, and local communities.

## **B. Program Description**

The HPG program is a grant program administered by the Single Family Housing program of RHS. It is limited to eligible rural areas and to qualified entities (such as public agencies, private non-profit organizations, and federally recognized tribes). Grant funds can be used to assist low- and very low-income homeowners in repairing and rehabilitating their homes in rural areas.

The program assists cooperative housing complexes and rental property owners in rural areas in repairing and rehabilitating their units if they agree to make such units available to very low- and low-income persons. Rental property owners can include Section 515 rental properties if the eligibility requirements are met for the HPG program. In accordance with 7 CFR 1944.663, rental property owners must agree to make the units repaired or rehabilitated available for occupancy to very low- or low-income persons for a period of not less than five years. The minimum five-year rent restriction for very low- and low-income tenants will only apply to the units that are repaired with the HPG funding. Any units within the property that were not repaired with HPG funding will not be subject to the five-year restriction.

### **C. Federal Award Information**

*Type of Assistance Instrument:* The funding instrument for the HPG program will be a grant agreement. The term of the grant can vary from one to two years, depending on available funds and demand. No maximum or minimum grant levels have been established at the National level. Applicants should contact the RD State Office to determine the allocation for their state.

The Consolidated Appropriations Act of 2022 (Pub. L. 117-103) established a set-aside for grants located in Rural Economic Area Partnership Zones (REAP Zones). The State Office will indicate on the list submitted to the National Office if the preapplication is eligible for the REAP Zones set-aside. The National Office will then compile a national list, rank the REAP Zones applicants based on the point allocations set forth in this Federal Register Notice, and distribute the HPG REAP Zones set-aside starting with the highest scoring eligible HPG REAP Zones applicants. Other funds will be distributed under a formula allocation to States pursuant to 7 CFR part 1940, subpart L, “Methodology and Formulas for Allocation of Loan and Grant Program Funds” §1940.578. Decisions on funding will be based on preapplication scores (see, 7 CFR 1944.679 (b)).

*Type of Awards:* Grants will be made to eligible entities who will then provide funds that can be used to assist low- and very low-income homeowners in repairing and rehabilitating their homes in rural areas.

*Available Funds:* Once determined, the FY 22 funding amount will be posted on the Agency website: <https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants> .

*Award Amount:* No organization may be awarded more than 1/2 of a state’s allocation, according to §1944.680. Award amounts available in FY 2022 have not been finalized.

*Due Date for Applications:* [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

#### **D. Eligibility Information**

1. *Eligible Applicants.* Eligible entities for these competitively awarded grants include State and local governments; non-profit corporations, which may include, but not be limited to Faith-Based and community organizations; federally recognized Indian Tribes; and consortia of eligible entities. HPG applicants who were previously selected for HPG funds are eligible to submit new preapplications to apply for FY 2022 HPG program funds. An additional HPG grant may be made when the grantee has achieved or nearly achieved the goals established for the previous or existing grant. The commitment of program dollars will be made to selected applicants who have fulfilled the necessary requirements for obligations. Eligibility requirements can be found at 7 CFR §§1944.658, 1944.661, 1944.662, and 1944.686.

2. *Cost Sharing or Matching.* Pursuant to 7 CFR 1944.652, grantees are expected to coordinate and leverage funding for repair and rehabilitation activities; as well as replacement housing, with housing and community development organizations or activities operating in the same geographic area. While it is encouraged that HPG funds be leveraged with other resources, cost sharing or matching is not a requirement for the HPG applicant as the HPG applicant would not be denied an award of HPG funds if all other project selection criteria have been met.

3. *Other.* Awards made under this Notice are subject to the provisions contained in the Consolidated Appropriations Act, 2022 (Pub. L. 117-103) sections 744 and 745, Division E “Financial Services and General Government Appropriations Act, 2022, Title VII “General Provisions—Government-wide,” regarding Corporate Felony Convictions and Corporate Federal Tax Delinquencies. To comply with these provisions, only

applicants that are or propose to be, corporations will submit this form as part of their preapplication. There are no limits on proposed direct and indirect costs. Expenses incurred in developing preapplications will be at the applicant's cost.

## **E. Application and Submission Information**

I. *Application Requirements:* All requirements for submission of a pre-application under the Housing Preservation Program are subject to 7 CFR 1944, subpart N. The Agency requires applicants to submit the following information to make an eligibility determination:

1. A preapplication package;

(i) A downloadable preapplication package for this program is available by accessing the website: *Grants.gov* by using a keyword, the program name, or Assistance Listing (formerly CFDA)10.433.

(ii) Users of *Grants.gov* will be able to download a copy of the preapplication package, complete it offline, and then upload and submit the preapplication via the *Grants.gov* site.

**Note:** Preapplications will not be considered for funding if they do not provide sufficient information to determine eligibility or are missing required elements.

2. SF-424;

(i) Made available by contacting any RD State Office at the web site:  
*<http://www.rd.usda.gov/contact-us/state-offices>*; or

(ii) Grants.gov at the following web site: *<https://www.grants.gov>*.

3. A statement of activities proposed by the applicant for its HPG program as appropriate to the type of assistance the applicant is proposing, including:



(i) A complete discussion of the type of and conditions for financial assistance for housing preservation, including whether the request for assistance is for a homeowner assistance program, a rental property assistance program, or a cooperative assistance program.

(ii) The process for selecting recipients for HPG assistance, determining housing preservation needs of the dwelling, performing the necessary work, and monitoring/inspecting work performed.

(iii) A description of the process for coordinating with other public and private organizations and programs that provide assistance in rehabilitation of historic properties in accordance with 7 CFR 1944.673.

(iv) The development standard(s) the applicant will use for the housing preservation work; and, if not the RD standards for existing dwellings, the evidence of its acceptance by the jurisdiction where the grant will be implemented.

(v) The time schedule for completing the program.

(vi) The staffing required to complete the program.

(vii) The estimated number of very low- and low-income minority and non-minority persons the grantee will assist with HPG funds; and, if a rental property or cooperative assistance program, the number of units and the term of restrictive covenants on their use for very low- and low-income.

(viii) The geographical area(s) to be served by the HPG program.

(ix) The annual estimated budget for the program period based on the financial needs to accomplish the objectives outlined in the proposal. The applicant can use SF-424a to provide this information.

(x) A copy of an indirect cost proposal/rate or direct cost policy when the applicant has another source of federal funding in addition to the RD HPG program.

(xi) A brief description of the accounting system to be used.

(xii) The method of evaluation to be used by the applicant to determine the effectiveness of its program which encompasses the requirements for quarterly reports to RD in accordance with 7 CFR 1944.683(b) and the monitoring plan for rental properties and cooperatives (when applicable) according to 7 CFR 1944.689.

(xiii) The source and estimated amount of other financial resources to be obtained and used by the applicant for both HPG activities and housing development and/or supporting activities.

(xiv) The use of program income; if any, and the tracking system used for monitoring same.

(xv) The applicant's plan for disposition of any security instruments held by them as a result of its HPG activities in the event of its loss of legal status.

(xvi) Any other information necessary to explain the proposed HPG program.

(xvii) The outreach efforts outlined in 7 CFR 1944.671(b).

4. *Experience*: Complete information about the applicant's experience and capacity to carry out the objectives of the proposed HPG program 7 CFR 1944.676(b)(2).

5. *Evidence of Legal Existence*: Evidence of the applicant's legal existence, including, in the case of a private non-profit organization, a copy of, or an accurate reference to, the specific provisions of state law under which the applicant is organized; a certified copy of the applicant's Articles of Incorporation and Bylaws or other evidence of corporate existence; certificate of incorporation for applicants other than public bodies; evidence of good standing from the state when the corporation has been in existence one year or more; and the names and addresses of the applicant's members, directors and officers. If other organizations are members of the applicant-organization, or the applicant is a consortium, preapplications should be accompanied by the names, addresses, and principal purpose of the other organizations. If the applicant is a

consortium, documentation showing compliance with paragraph (4)(ii) under the definition of “organization” in 7 CFR 1944.656 must also be included.

6. *Audited and Financial Statements:* For a private non-profit entity, the most recent audited statement and a current financial statement dated and signed by an authorized officer of the entity showing the amounts and specific nature of assets and liabilities together with information on the repayment schedule and status of any debt(s) owed by the applicant. If the applicant is an organization being assisted by another private non-profit organization, the same type of financial statement should also be provided by that organization.

7. *Narrative Statement:* A brief narrative statement which includes information about the area to be served and the need for improved housing (including both percentage and the actual number of both low-income and low-income minority households and substandard housing), the need for the type of housing preservation assistance being proposed, the anticipated use of HPG resources for historic properties, the method of evaluation to be used by the applicant in determining the effectiveness of its efforts.

8. *Alleviating Overcrowding Statement:* A statement containing the component for alleviating any overcrowding as defined by 7 CFR 1944.656.

9. *List of Other Activities:* A list of other activities the applicant is engaged in and expects to continue, a statement as to any other funding, and whether it will have sufficient funds to assure continued operation of the other activities for at least the period of the HPG grant agreement.

10. *Project Selection Criteria:* Other information necessary to address the selection criteria in §1944.679.

11. *Environmental Compliance Agreement:* The applicant must submit 1970-A Exhibit H “Multi-tier Action Environmental Compliance Agreement”.

12. *Public Participation and Intergovernmental Review:*

*Intergovernmental Review*. In accordance with 7 CFR 1944.674 (c), the HPG program is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with state and local officials. Preapplications from Federally recognized Indian tribes are not subject to this requirement.

(i) The applicant must submit written statements and related correspondence reflecting compliance with 7 CFR 1944.674(a) regarding consultation with local leaders from the county, parish, and/or township governments of the area where the HPG activities will take place for the purpose of assuring that the proposed HPG program is beneficial and does not duplicate current activities. American Indian non-profit organization applicants should obtain the written concurrence of the tribal governing body in lieu of consulting with the county governments with the program is operated only on tribal land.

(ii) The applicant is to make its statement of activities available to the public for comment prior to submission to RD pursuant to 7 CFR 1944.674(b). The applicant(s) must announce the availability of its statement of activities for review in a print or online newspaper of general circulation in the project area and allow at least 15 days for public comment. The start of this 15-day period must occur no later than 16 days prior to the last day for acceptance of preapplications by USDA RD. Federally recognized Indian Tribes, pursuant to 7 CFR 1944.674, should obtain the written concurrence of the tribal governing body in lieu of consulting with the county governments when the program is operated only on tribal land. The preapplication must contain a description of how the comments (if any were received) were addressed.

13. *Equal Opportunity Agreement*: The applicant must submit an original of Form RD 400-1, “*Equal Opportunity Agreement*” and Form RD 400-4, “*Assurance Agreement*” in accordance with 7 CFR 1944.676.

Applicants should review 7 CFR part 1944, subpart N for a comprehensive list of all application requirements. Preapplications will not be considered for funding if they do not provide sufficient information to determine eligibility or are missing required elements.

*II. Submission Information:* The following information provides applicant submission information:

1. *Address to Request Application Package. Please refer to the **ADDRESSES** section in this notice.*

2. *Content and Form of Application Submission.* Applicants may submit a preapplication in paper form or electronically (*i.e.*, emailed to the applicable Single Family Housing Program Director in the RD State Office or transmitted via *Grants.gov*). Preapplications must contain all required information using only one of the submission methods. Applications that are submitted in paper form must have all forms that requires signatures contain an original signature. For emailed preapplications, a digital signature is acceptable.

For preapplications transmitted via *Grants.gov*, applicants must follow the instructions for this funding announcement at: <https://www.grants.gov>:

(i) When entering the *Grants.gov* website, applicants will find information about applying electronically through the site. As well as the hours of operation. Documents submitted electronically through *Grants.gov* must include electronic signatures. Original signatures may be required if funds are awarded.

(ii) After applying electronically through *Grants.gov*, applicants will receive an automatic acknowledgement from *Grants.gov* that contains a *Grants.gov* tracking number.

**Note:** Applicants that submit a paper preapplication may send it to the State Office located in the state where the proposed HPG housing project will take place. Applicants can find State Office contact information at: <https://www.rd.usda.gov/contact-us/state-offices>. The State Office will date, and time stamp incoming paper preapplications to evidence timely receipt and upon request and will provide the applicant with a written acknowledgment of receipt.

Applicants that receive a grant award under this Notice, USDA reserves the right to post all information that is not protected by the Privacy Act submitted as part of the preapplication/application package on a public website with free and open access to any member of the public.

*3. System for Award Management and Unique Entity Identifier:*

(i) At the time of application, each applicant must have an active registration in the System for Award (SAM) before submitting its application in accordance with 2 CFR 25. To register in SAM, entities will be required to create a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at <https://sam.gov/content/entity-registration>.

(ii) Applicants must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a federal awarding agency.

(iii) Applicants must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(iv) Applicants must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110.

(v) The Agency will not make an award until the applicant has complied with all SAM requirements including providing the UEI. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency

may determine that the applicant is not qualified to receive a federal award and use that determination as a basis for making a Federal award to another applicant.

4. *Submission Dates and Times.* Completed applications for grants must be submitted according to the following deadlines and other instructions in the **DATES** section of this notice.

5. *Funding Restrictions:* There are no limits on proposed direct and indirect costs. Expenses incurred in developing preapplications will be at the applicant's cost.

## **E. Pre-Application Review Information**

1. *Criteria.* All eligible and complete preapplications for Section 533 HPG funds must be filed with the appropriate RD State Office and all paper or electronic preapplications must meet the requirements of this Notice and 7 CFR part 1944, subpart N. Preapplications determined not eligible and/or not meeting the selection criteria will be notified by the RD State Office.

2. *Review and Selection Process.* RD State Offices will utilize the following threshold project selection criteria for applicants in accordance with 7 CFR 1944.679:

(a) Providing a financially feasible program of housing preservation assistance. "Financially feasible" is defined as proposed assistance which will be affordable to the intended recipient or result in affordable housing for very low- and low-income persons.

(b) Serving eligible rural areas with a concentration of substandard housing for households of very low- and low-income.

(c) Being an eligible applicant as defined in 7 CFR 1944.658.

(d) Meeting the requirements of consultation and public comment in accordance with 7 CFR 1944.674.

(e) Submitting a complete preapplication as outlined in 7 CFR 1944.676:

3. **Scoring.** For applicants meeting all the requirements listed above, the RD State Offices will use weighted criteria in accordance with 7 CFR part 1944, subpart N as selection for the grant recipients. Each preapplication and its accompanying statement of activities will be evaluated and, based solely on the information contained in the preapplication, the applicant's proposal will be numerically rated on each criterion within the range provided. The highest-ranking applicant(s) will be selected based on allocation of funds available to the state.

(1) Points are awarded based on the percentage of very low-income persons that the applicant proposes to assist, using the following scale:

- |       |                |           |
|-------|----------------|-----------|
| (i)   | More than 80%: | 20 points |
| (ii)  | 61% to 80%:    | 15 points |
| (iii) | 41% to 60%:    | 10 points |
| (iv)  | 20% to 40%:    | 5 points  |
| (v)   | Less than 20%: | 0 points  |

(2) The applicant's proposal may be expected to result in the following percentage of HPG fund use (excluding administrative costs) to total cost of unit preservation. This percentage reflects maximum repair or rehabilitation with the least possible HPG funds due to leveraging, innovative financial assistance, owner's contribution, or other specified approaches. Points are awarded based on the following percentage of HPG funds (excluding administrative costs) to total funds:

- |       |              |           |
|-------|--------------|-----------|
| (i)   | 50% or less: | 20 points |
| (ii)  | 51% to 65%:  | 15 points |
| (iii) | 66% to 80%:  | 10 points |
| (iv)  | 81% to 95%:  | 5 points  |
| (v)   | 96% to 100%: | 0 points  |



(3) The applicant has demonstrated its administrative capacity in assisting very low- and low-income persons to obtain adequate housing based on the following:

(i) The organization or a member of its staff has at least one or more years of experience successfully managing and operating a rehabilitation or weatherization type program: 10 points.

(ii) The organization or a member of its staff has at least one or more years of experience successfully managing and operating a program assisting very low- and low-income persons obtain housing assistance: 10 points.

(iii) If the organization has administered grant programs, there are no outstanding or unresolved audit or investigative findings which might impair carrying out the proposal: 10 points.

(4) The proposed program will be undertaken entirely in rural areas outside Metropolitan Statistical Areas (MSAs) identified by RD as having populations below 10,000 or in remote parts of other rural areas (i.e., rural areas contained in MSAs with less than 5,000 population) as defined in 7 CFR 1944.656: 10 points.

(5) The program will use less than 20 percent of HPG funds for administration purposes:

- |       |                |              |
|-------|----------------|--------------|
| (i)   | More than 20%: | Not eligible |
| (ii)  | 20%:           | 0 points     |
| (iii) | 19%:           | 1 point      |
| (iv)  | 18%:           | 2 points     |
| (v)   | 17%:           | 3 points     |
| (vi)  | 16%:           | 4 points     |
| (vii) | 15% or less:   | 5 points     |

(6) The proposed program contains a component for alleviating overcrowding as defined in 7 CFR 1944.656: 5 points.

In the event more than one preapplication receives the same number of points, those preapplications will then be ranked based on the actual percentage figure used for determining the points in item (1) in the “Scoring” section of this Notice (7 CFR 1944.679 (b)(1)).

*Example of 1<sup>st</sup> tie-break:*

*Both Applicants score 80 points*

*Applicant X's percentage in “Scoring” section item (a) is 65%*

*Applicant B's percentage in “Scoring” section item (a) is 75%*

*Applicant B is ranked higher than Applicant X*

*Applicant B will be funded before Applicant X*

Further, if preapplications are still tied, then those preapplications still tied will be ranked based on the percentage figures used for determining the points in item (2) in the “Scoring” section of this Notice (7 CFR 1944.679 (b)(2)).

*Example of 2<sup>nd</sup> tie-break:*

*Both Applicants score 80 points*

*Both Applicants percentage in “Scoring” section item (a) is 65%*

*Applicant X's percentage in “Scoring” section item (b) is 55%*

*Applicant B's percentage in “Scoring” section item (b) is 60%*

*Applicant X is ranked with a lower percentage than Applicant B*

*Applicant X will be funded before Applicant B*

Further, 7 CFR 1944.679 (c), *for preapplications where HPG assistance to rental properties or co-ops is proposed*, those still tied will be further ranked based on the number of years the units are available for occupancy under the program (a minimum of five years is required). For this part, ranking will be based from most to least number of years.

*Example of 3<sup>rd</sup> tie-break:*

*Both Applicants score 80 points*

*Both Applicants percentage in “Scoring” section item (a) is 65%*

*Both Applicants percentage in “Scoring” section item (b) is 55%*

*Applicant X’s rental unit will be available for occupancy under the program for 10 years*

*Applicant B’s rental unit will be available for occupancy under the program for 5 years*

*Applicant X is ranked higher than Applicant B*

*Applicant X will be funded before Applicant B*

If any of the applicants that remain tied after the 1<sup>st</sup> and 2<sup>nd</sup> tie-breaks are offering to assist single family owners, *then the 3<sup>rd</sup> tie-break would not be applicable*, and a lottery would be used to select the applicant to be funded.

If there is still a tie after the first two [*or three, when applicable*] tie-breaks, then a lottery system will be used to select the applicant to be funded. The lottery will be conducted at the National Office. The lottery will consist of the names of each preapplication with equal scores printed onto a same size piece of paper, which will then be placed into a receptacle that fully obstructs the view of the names. The Director of the Single Family Housing Loan Division, in the presence of two witnesses, will draw a piece of paper from the receptacle. The name on the piece of paper drawn will be the applicant to be funded.

After the award selections are made by the National Office, all applicants will be notified of the status of their preapplications by email or mail with Form AD-622, “*Notice of Preapplication Review Action.*” Applicants will be given their review rights or appeal rights in accordance with 7 CFR 1944.682.

## **F. Federal Award Administration Information**

1. *Federal Award Notices.* The Agency will notify applicants in writing, applicants whose preapplications have been selected for funding. At the time of notification, the Agency will advise the applicant what further information and documentation is required along with a timeline for submitting the additional information. If the Agency determines it is unable to select the preapplication for funding, the applicant will be informed in writing. Such notification will include the reasons the applicant was not selected. The Agency will advise applicants, whose preapplications did not meet eligibility and/or selection criteria, of their review rights or appeal rights in accordance with 7 CFR 1944.682.

2. *Administrative and National Policy Requirements.*

(a) The following additional requirements apply to grantees selected for this program:

(i) Form SF-424

(ii) Form RD 1940-1, "Request for Obligations of Funds"

(iii) RD Instruction 1944-N Exhibit A, "Grant Agreement"

(iv) Letter of Conditions (if applicable)

(v) Complete Form RD 1942-46, "Letter of Intent to Meet Conditions" (if applicable)

(vi) 1940-Q Exhibit A-1 (if applicable)

(vii) Form SF 3881, "ACH Vendor Payment Enrollment Form"

(viii) Form SF 270, "Request for Advance or Reimbursement"

(ix) Form SF 425, "Federal Financial Report"

(x) RD Instruction 1944-N Exhibits E-1 and E-2, "Quarterly (Final) Performance Report" and "Quarterly (Final Performance Report Guide"

(xi) 1970-B Exhibit D, "Categorical Exclusion Form"

- (xii) RD Instruction 1944-N Exhibits F-1, “Grantee’s Process for Identifying Properties Requiring Rural Development Environmental Assessments”
- (xiii) RD Instruction 2000-FF
- (xiv) FEMA Form 086-0-32
- (xv) Execute Form SF-LLL, “Disclosure Form to Report Lobbying” (if applicable)

The grant recipient must include the required nondiscrimination statements in any of their advertisements and brochures. Grantees will be required to collect and maintain data provided by recipients on race, sex, and national origin and ensure recipients collect and maintain this data. Race and ethnicity data will be collected in accordance with OMB Federal Register notice, “Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity,” (62 FR 58782), October 30, 1997. Data on recipients’ sex will be collected in accordance with Title IX of the Education Amendments of 1972. These items should not be submitted with the application but should be available upon request by the Agency.

The applicant and the ultimate recipient must comply with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, Age Discrimination Act of 1975, Executive Order 12250, Executive Order 13166 regarding Limited English Proficiency (LEP), and 7 CFR part 1901, subpart E.

(b) The applicant must provide evidence of compliance with other federal statutes, including but not limited to the following:

(i) Debarment and suspension information is required in accordance with 2 CFR part 417 (Nonprocurement Debarment and Suspension) supplemented by 2 CFR part 180, if it applies. The section heading is “What information must I provide before entering

into a covered transaction with a Federal agency?” located at 2 CFR 180.335. It is part of OMB’s Guidance for Grants and Agreements concerning Government-wide Debarment and Suspension.

(ii) 2 CFR parts 200 and 400 (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards).

(iii) 2 CFR part 182 (Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)) and 2 CFR part 421 (Requirements for Drug Free Workplace (Financial Assistance)).

(iv) Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency.” For information on limited English proficiency and agency-specific guidance, go to <http://www.lep.gov>.

(v) All applicants will be screened for eligibility to participate in the grant program using Treasury’s Do Not Pay Portal in compliance with the Improper Payments Elimination and Recovery Improvement Act.

3. *Reporting.* After grant approval and through grant completion, grantee will be required to provide the following on a quarterly basis, as indicated in 7 CFR Part 1944 Subpart N Exhibit A, “Grant Agreement”:

(i) SF-425, “Federal Financial Report.”

(ii) 1944-N Exhibit E-1, “Quarterly Performance Report.”

(iv) Bank statements for interest bearing bank account if grantee is getting cash advances.

Final award reporting requirements can be found in the 1944-N Exhibit A, “Grant Agreement”. Upon grant closeout, the grantee will furnish a final SF-425, 1944-N Exhibit E-1, and all financial, performance and other reports required as a condition of

the grant. The grantee will also provide an audit report in accordance with Uniform Audit Requirements for Federal Awards at 2 CFR part 200, subpart F.

#### **G. Federal Awarding Agency Contacts**

For general questions about this notice, please contact your USDA RD State Office or the program web site provided in the “**ADDRESSES**” section of this notice.

#### **H. Other Information**

*A. Paperwork Reduction Act:* In accordance with the Paperwork Reduction Act of 1995, the information collection requirement contained in this notice is approved by the Office of Management and Budget under OMB Number 0575-0115.

*B. Federal Funding Accountability and Transparency Act:* All recipients of Federal financial assistance are required to report information about first tier subawards and executive compensation (see 2 CFR part 170). You will be required to have the necessary processes and systems in place to comply with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109–282) reporting requirements (see 2 CFR 170.200(b), unless you are exempt under 2 CFR 170.110(b)).

*C. National Environmental Policy Act:* This Notice has been reviewed in accordance with 7 CFR part 1970, §1970.55, and it has been determined that the environmental process for an HPG grant to repair, rehabilitate, or replace a dwelling is a multi-tier review. Applicants must agree in writing to certain conditions prior to obligation of financial assistance by the Agency to the primary recipient (§1970.55(a)(1-4)). The applicant must complete and provide the Multi-Tier Action Environmental Compliance Agreement, RD Instruction 1970-A, Exhibit H.

In accordance with 7 CFR §1970.51 (a)(3) and 1970.55, the environmental review is a two-step process: the approval of the provision of the grant to the grantee is

categorized as a Categorical Exclusion without an Environmental Report pursuant to 1970.55.

The second step is an environmental review performed by the grantee of the activity proposed by each ultimate recipient.

Rural Housing Service has entered into a Programmatic Memorandum of Agreement (PMOA) with the National Conference of State Historic Preservation Officers and the Advisory Council on Historic Preservation to implement the specific requirements regarding historic preservation contained in Section 533 of the Housing Act of 1949, 42 U.S.C. 1490(m) of the enabling legislation.

Grantee shall comply with Rural Development's Lead Based Paint requirements for Rehabilitation contained in subparts of 24 CFR Part 35, which apply to all HPG rehabilitation activities.

*D. Civil Rights Requirements:* All grants made under this notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA (7 CFR part 15, subpart A) and Section 504 of the Rehabilitation Act of 1973, Executive Order 13166 regarding Limited English Proficiency (LEP), and Executive Order 11246 regarding Equal Employment Opportunity.

*E. Non-Discrimination Statement:*

In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded



by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720-2600 (voice and TTY); or the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, *USDA Program Discrimination Complaint Form*, which can be obtained online at <https://www.usda.gov/sites/default/files/documents/usda-program-discrimination-complaint-form.pdf> from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

- (1) Mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410; or
- (2) Fax: (833) 256-1665 or (202) 690-7442; or
- (3) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

Joaquin Altoro,  
Administrator, Rural Housing Service.

